



STATE OF WASHINGTON  
DEPARTMENT OF SOCIAL AND HEALTH SERVICES

January 13, 2010

TO: ADSA Staff and Stakeholders

FROM: Kathy Leitch, Assistant Secretary  
Aging and Disability Services Administration

SUBJECT: **Governor's 2010 "Book 2" Supplemental Budget Proposal**

On January 12, 2010, Governor Chris Gregoire released the second version of her proposed 2010 Supplemental Budget (referred to as "Book 2"). In this memo, I would like to give you some of the key changes related to the Aging and Disability Services Administration (ADSA). Her letter of transmittal to the Legislature is also attached. When she released her "all cuts" budget in December she made it clear that the forced reductions in some areas were too severe. Many of you have expressed agreement that the reductions proposed in December would have severe negative impacts on ADSA's service system --- eroding our progress in helping people have the choice to remain in their own home or in a community-based setting. The Governor pledged her "Book 2" budget would include limited revenue increases to avoid or lessen some of the cuts.

The state's projected shortfall remains at \$2.6 billion beyond the \$9 billion shortfall that was addressed in the last legislative session and through previous spending reductions. While the Governor's first budget closed that gap entirely with cuts, her "Book 2" budget restores about \$780 million in programs and services, offset by proposals for revenue increases. Of course that would still leave almost \$2 billion in reductions on the table.

For ADSA, the Governor proposes to "buy back" about \$75 million (42%) of the reductions proposed in Book 1. Here are the changes:

- Restoration of in-home housekeeping and off-site laundry services, averaging six hours per month.
- Restoration of automatic increases to home care agency rates based on what is bargained for individual providers.
- Restoration of the state's health care contribution for employees of home care agencies.
- Restoration of funding for the Senior Citizen's Services Act, which funds the Information and Assistance Program and other local senior programs such as meal assistance, transportation, in-home services and counseling.
- Restoration of the Family Caregiver Support Program that supports unpaid caregivers of seniors and other people with disabilities.
- Restoration of the Volunteer Chore Services Program.



- Partial restoration of the Individual and Family Support program for families of a person with a developmental disability, which will have different eligibility requirements.

The Governor's "Book 2" budget also adds Adult Family Homes to the list of facilities for which licensing fees would increase to \$1,213 per home on July 1, 2010.

A summary showing the Book 1 Budget reductions and the "Book 2" Budget buy backs that affect ADSA can be found in the second attachment to this memo. The details of the Governor's proposals can be found under "January Updates" at:  
<http://www.ofm.wa.gov/budget10/default.asp>.

The next steps in the long process to a final budget now rest with the Legislature which is now in session until March 11, 2010. Balancing the need for essential programs with the realities of raising revenues is always difficult. I will continue to provide updated information as major milestones in the process are reached.

Attachments (2)